

IN THE UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF CALIFORNIA

TRADEHILL, INC.,  
Plaintiff,  
v.  
DWOLLA, INC., et al.,  
Defendants.

No. C-12-1082 MMC

**ORDER DIRECTING PARTIES TO SHOW  
CAUSE WHY ACTION SHOULD NOT BE  
DISMISSED**

By separate order filed concurrently herewith, the Court has granted defendants' motion to compel arbitration of plaintiff's claims.

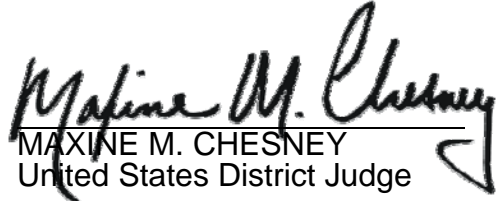
Where, as here, a court has granted a motion to compel arbitration of all claims alleged by the plaintiff, the Federal Arbitration Act authorizes the court to either stay the proceedings pending the completion of arbitration or dismiss the action. See Sparling v. Hoffman Constr. Co., 864 F.2d 635, 638 (9th Cir. 1988).

In their motion, defendants do not specify whether they seek a stay or a dismissal. Where the party moving to compel has not sought a dismissal but dismissal would appear to be appropriate, the district court must give the parties notice of its intent to dismiss the action and an opportunity to respond thereto. See id. at 637-38. Here, because the plaintiff is required to arbitrate all of its claims, it would appear appropriate to dismiss, rather than stay, the action.

1 Accordingly, the parties are hereby DIRECTED TO SHOW CAUSE, in writing and no  
2 later than May 25, 2012, why the above-titled action should not be dismissed, without  
3 prejudice to plaintiff's presenting its claims before the arbitral forum identified in the parties'  
4 agreement.

5 **IT IS SO ORDERED.**

6  
7 Dated: May 9, 2012

  
MAXINE M. CHESNEY  
United States District Judge